



Notice of Public Hearing On Proposed Rate Increases for Water, Wastewater, and Solid Waste Utilities

NOTICE IS HEREBY GIVEN that the City of Redding will hold a public hearing on Tuesday, November 7, 2023, at 6 p.m., in the City Council Chambers at 777 Cypress Avenue, Redding, California, to consider adoption of new rates and proposed increases to existing rates for Water, Wastewater, and Solid Waste Utility services.

Reasons for the proposed rates are described in more detail below. For additional information, please visit the City of Redding Utility website at: www.reddingutilities.com.

This notice explains proposed Water, Wastewater, and Solid Waste Utility service rate increases for City of Redding customers. The proposed rate increases will only apply to utilities provided by the City, not services provided by other entities, such as the Bella Vista Water District or Centerville Community Services District. Please review your City utility bill to determine services received.

What Do Water, Wastewater, and Solid Waste Rates Fund? The City provides water, wastewater (sewer), and solid waste (refuse and recycling) services to residential and commercial customers in the Redding area. These Municipal Utilities are not-for-profit and are operated to be financially self-sufficient. Monthly rates paid by customers are the primary source of revenue. Utility rates are calculated to cover the costs for the maintenance and operation of each Utility, such as purchasing raw water, electricity, supplies, rehabilitation and replacement of equipment/infrastructure, employee costs, and regulatory compliance. **Ratepayer revenue is not used for other general government purposes.** For more information about water and wastewater rates and services, please call (530) 224-6068, and for solid waste rates and services, please call (530) 224-6201. Visit www.reddingutilities.com for additional information, including City Council reports, utility master plans, and other related materials.

Why are rate increases being proposed? An increase in the rates is necessary in order to cover increased costs associated with operating and maintaining the City's water, wastewater, and solid waste systems. Specifically, the unexpected and significant inflationary cost increases of energy, fuel, chemicals, rehabilitation/replacement of equipment, employee costs, and California State regulatory compliance mandates. Funding is also needed to replace significant portions of the City's aging water and sewer infrastructure network. This is necessary if the City is to continue to provide reliable service to its customers and comply with the requirements of various regulatory agencies including the replacement of the City's main water pump station built over 85 years ago, miles of pipeline replacement, and installation of a biosolids processing system to divert organic material from the landfill to comply with California Senate Bill 1383. A new commercial rate for businesses is being introduced to provide hauling and disposal services for source separated food waste; a new requirement imposed by the State of California through passage of Senate Bill 1383. If approved, the proposed rate increases will become effective January 1, 2024.

Utility rate increases are subject to Proposition 218 requirements approved by California voters in 1996. The City must: (1) inform property owners of the new rates and proposed rate increase(s), (2) clearly demonstrate the basis on which the rates are calculated, and (3) hold a public hearing at least 45 days after public notification. If written protests are received representing a majority of properties receiving the utility service, the proposed rate increase(s) will not be imposed. If a sufficient number of protests are not received, the rate increases may be approved by the City Council.

The property owner and the utility account holder (ratepayer) subject to the proposed rate changes may submit a protest against any or all of the proposed rate changes by filing a written protest with the City Clerk at or before the time set for the public hearing.

Please be advised: (1) More than one notice may be sent for a single property because the City sends notices to both property owners and ratepayers. (2) Property owners may receive more than one copy of this notice if they own multiple properties and/or have multiple City of Redding utility accounts. (3) While the City may receive multiple protests for a given property, only one protest can be counted for each property. (4) Not all utility services apply to each property, for example, some residents receive water from other providers. (5) A Public Hearing and Majority Protest is not an election, there are no “yes” and “no” votes.

If you object to the proposed increase in utility rates for a property you own and/or a utility service you receive, you may submit a written protest against any or all of the proposed rate increases by providing the following information: (1) the property address and/or Shasta County Assessor’s Parcel Number where the service is received; (2) the utility account holder or property owner’s printed name and signature; and (3) listing the proposed utility increase(s) being protested. Then place your written protest notice in an envelope and submit to the City of Redding-City Clerk, 3rd floor, at 777 Cypress Avenue, Redding, California via one of the following methods: (1) U.S. mail, (2) hand-deliver to the City Clerk’s Office, or (3) in person prior to the close of the public hearing. In order for the written protest to be counted as a valid protest, it must contain all the information noted above and be received (not postmarked) by the City Clerk no later than the end of the public hearing noticed above on **November 7, 2023**.

Please be advised, if the proposed utility rates do not pass, services may be scaled back or modified accordingly to continue operations and comply with regulatory requirements.

You may prepare a written protest as instructed above or use this form to protest the proposed utility rate increases.

I, _____, protest the proposed rate increase(s) for the following utilities:
(Print first and last name, must be legible)

(Print Water, Wastewater, and/or Solid Waste)

Property Address or Assessor’s Parcel Number: _____
(Please Print legibly)

Please sign here: _____

If you wish to use this form as your written protest, fill out and hand deliver or mail in a stamped envelope to:

City of Redding, City Clerk, 777 Cypress Avenue, Redding, CA, 96001

If you are satisfied with the level of utility services provided and do not object to the proposed rate increases to fund the operation, maintenance, and replacement costs relating to providing Water, Wastewater, and Solid Waste utilities services, **you do not need to take any action.**

Proposed rates for Solid Waste services:

The proposed single-family residential rates for the various size solid waste carts are depicted in Table 1. Proposed new rates for collection of source-separated food waste from commercial customers are depicted in Table 2. In addition to the rate tables shown below, commercial accounts have a recommended increase of same percentages shown in Table 1 for each fiscal year. Because of the diverse nature of commercial collection, such as varying number of pickup days per week, size of containers, etc., it is not practical to list all charges and estimated rate changes for this Utility in this rate hearing notice. However, those charges are listed online at www.reddingutilities.com and are available by calling customer service at (530) 224-6201.

TABLE 1 – Proposed Rates for Residential Solid Waste Services

SOLID WASTE RATE SCHEDULE		Current Rates (2023)	Proposed Rates			
			2024	2025	2026	2027
Annual Rate increases as shown in Financial Plan:			15.00%	8.00%	8.00%	6.00%
Residential Wheeled Cart Monthly Rate ¹						
45-Gal Container	\$25.30	\$25.90	\$27.97	\$30.21	\$32.02	
64-Gal Container	\$26.45	\$28.34	\$30.61	\$33.06	\$35.04	
96-Gal Container	\$28.30	\$32.59	\$35.20	\$38.02	\$40.30	
Additional Green Waste Container	\$4.00	\$4.60	\$4.97	\$5.37	\$5.69	
Landfill Monitoring		(\$0.22/month - no increases)				

1. Residential Service includes trash, recycling, and green waste containers.

New Proposed Rates for Commercial Solid Waste Food Waste Services

A new commercial rate for businesses is being introduced to provide hauling and disposal services for source separated food waste; a new requirement imposed by the State of California through passage of Senate Bill 1383. If approved, the proposed rate increases will become effective January 1, 2024. This portion of the proposed increase does not apply to residential customers.

TABLE 2 – New Proposed Rates for Commercial Solid Waste Food Waste Services

2024 Food Waste Rate Schedule	Proposed Commercial Rates					
	Monthly Rates by Number of Pickups Per Week					
Container Type	1	2	3	4	5	6
45-Gal Container	\$29.91	\$59.82	\$89.72	\$119.63	\$149.54	\$179.45
64-Gal Container	\$33.49	\$66.98	\$100.46	\$133.95	\$167.44	\$200.93
1-Yard Container	\$187.74	\$374.22	\$560.71	\$747.19	\$933.67	\$1,120.15
2-Yard Container	\$314.10	\$625.95	\$937.81	\$1,249.67	\$1,561.52	\$1,873.38

Proposed rates for Water and Wastewater services:

Water and wastewater rates vary by size of water meter and type of wastewater effluent (i.e., rates are higher for restaurants and similar “high-strength” users). The complete schedule of rate increases under consideration is shown in Tables 3 and 4.

TABLE 3 – Proposed Rates for Water Services

Water Rate Schedule		Current Rates	Recommended Rates						
			2024	2025	2026	2027			
Proposed Annual Rate Increases			12%/18%*	6.50%	6.50%	6.50%			
Fixed Service Charge - Based on Meter Size									
Monthly Fixed Service Charge - Standard Meters:									
* SFR 5/8 and 3/4 inch	\$24.92	\$27.91					\$29.72	\$31.66	\$33.71
3/4 inch	\$33.30	\$39.41					\$41.97	\$44.70	\$47.60
1 inch	\$50.08	\$62.38					\$66.44	\$70.76	\$75.36
1.5 inch	\$92.01	\$119.82					\$127.61	\$135.91	\$144.74
2 inch	\$142.32	\$188.75					\$201.02	\$214.08	\$228.00
3 inch	\$276.50	\$372.55					\$396.77	\$422.56	\$450.03
4 inch	\$427.45	\$579.33					\$616.99	\$657.10	\$699.81
6 inch	\$846.76	\$1,153.72					\$1,228.72	\$1,308.58	\$1,393.64
8 inch	\$1,349.93	\$1,842.99					\$1,962.79	\$2,090.37	\$2,226.24
10 inch	N/A	\$4,829.82	\$5,143.76	\$5,478.10	\$5,834.18				
Commodity Charges for All Water Consumed per CCF									
Uniform Rate	\$1.59	\$1.88	\$2.00	\$2.13	\$2.27				

* Single Family Residents (SFR) Meters are 12% Increase, Commodity Charge is 18% Increase.

Larger Meter Fixed Charges Percent Increases Vary.

CCF = Hundred Cubic Feet (748 gallons)

TABLE 4 – Proposed Rates for Wastewater Services

SEWER RATE SCHEDULE	Current Rates	Proposed Rates			
		2024	2025	2026	2027
Proposed Annual Rate increases :		5.00%	5.00%	4.00%	4.00%
Monthly Service Charges:					
Single Family Dwelling (\$/residence)	\$64.17	\$67.38	\$70.75	\$73.58	\$76.52
Multi Family Dwelling (\$/unit)	\$47.49	\$49.86	\$52.35	\$54.44	\$56.62
Standard Commercial billed monthly (\$/ccf)	\$6.59	\$6.92	\$7.27	\$7.56	\$7.86
Standard Commercial calculated annually (\$/# HE) ²	\$64.17	\$67.38	\$70.75	\$73.58	\$76.52
Commercial Food Preparation billed monthly (\$/ccf)	\$13.20	\$13.86	\$14.55	\$15.13	\$15.74
Commercial Food Preparation calculated annually (\$/# HE)	\$128.36	\$134.78	\$141.52	\$147.18	\$153.07

HE = Household Equivalent